

LYNCHBURG CITY COUNCIL

Agenda Item Summary

MEETING DATE: **March 11, 2003**

AGENDA ITEM NO.: 2

CONSENT: **X**

REGULAR:

CLOSED SESSION:

(Confidential)

ACTION: **X**

INFORMATION:

ITEM TITLE: Elimination Of Two Non-Seasonal Wage Positions To Establish One Full-Time Equivalent Position in the Financial Services Department

RECOMMENDATION: Approve a request from the Financial Services Department to realign two non-seasonal wage positions into one full-time classified position, with benefits, within the Accounting Operations Division. Recommendation was previously reviewed and approved by City Manager through the Managed Vacancy process.

SUMMARY: The duties of these two non-seasonal wage positions were previously performed by a full-time classified position. When the RESPOND unit was established, the position was eliminated and realigned to the RESPOND function with non-wage funding allocated to fund functionality in the Accounts Payable function. After careful consideration by management, it was determined that wage funding has had a negative impact on functionality of the Accounts Payable work group. Lack of benefits and the lower hourly rate have caused increased volatility in the position, often disrupting efficiency of the remaining staff members, due to training and learning curve considerations. Turnover rate of one of the seasonal wage positions is very high and the lower hourly wage and lack of benefits has made it difficult to attract and retain competent candidates for employment.

PRIOR ACTION(S): March 4, 2003, Finance Committee recommended approval.

FISCAL IMPACT: Recurring cost savings of \$5,136

CONTACT(S): Michael W. Hill (847-1307 ext. 293)
Lisa D. Parker (847-1307 ext. 284)

ATTACHMENT(S): Executed Managed Vacancy Form submitted by Financial Services Department with cost savings attachment

REVIEWED BY: lkp



MANAGED VACANCY FORM

City Manager approval is required before advertising and/or filling a vacant position.

Department Financial Services Position Title Wage Position Position Number 1102 Budget Code 1001-2050-0095

Position Status ☐ Full-time Classified ☐ Part-time Classified ☒ Non-Seasonal Wage
Date of Vacancy 3/15/2002 (include time needed for payouts)
Anticipated Fill Date Already filled with seasonal wage

Reason for Vacancy ☐ Resignation ☐ Retirement ☐ Promotion ☒ Termination ☐ Other

Estimated Savings (_____ x _____) - _____ = _____

Pay Period Salary x Est. Pay Periods Vacant - Other Associated Costs = Estimated Savings
(advertising, testing, temps, acting duty pay, travel, etc.)

Comments: This position is currently approved as a non-seasonal wage in the budget. During the last year, this position has turned over 6 times and is currently filled but classified as seasonal with no benefits. Initially this request is to change the employment status from seasonal to non-seasonal to provide more benefits in an effort to reduce the possibility of the current employee leaving. This position works with another wage position that receives benefits afforded non-seasonal wage employees. Concurrent with this request is to provide holiday pay beginning with the Martin Luther King holiday which is in the current pay period. This position is responsible for data entry of approximately 1,000 vendor payment forms and 200 journal vouchers per week. This position also is responsible for filing all payment forms. Submission of the managed vacancy form has been deferred until a good candidate for non-seasonal wage could be identified. Turnover in this position is very disruptive to the Accounts Payable group.

Previously, these duties were performed by a FT classified employee (grade 11). However, when Respond was established, the position was eliminated in Accounting and transferred with wage money given to absorb the responsibilities. After careful analysis over the past year the following is recommended and submitted for consideration. With stability in the job, it is felt the responsibilities could be performed by a full time classified employee. Attached is a proposal to combine the funds from the two existing wage positions and establish a full time classified with benefits. Depending upon the final classification by Human Resources there would be a minimum of \$5,136 of recurring budget savings. It would also be our recommendation to seek approval as soon as practical to move forward thus producing some FY 2003 budget savings.

Department Head: Michael W. Smith Date 1/22/2003

Approved: [Signature] Disapproved: _____

[Signature]
L. Kimball Payne, III, City Manager Date 1/30/03

(City Manager's Office will return the original to the Department and send copies to H R and Budget following review)

(Department shall complete this section after the position is filled and forward to Budget)

Actual Fill Date: _____

Actual Savings: (_____ x _____) - _____ = _____
Pay Period Salary x Periods Vacant - Other Associated Costs = Total Savings

Current Budgeted Amount:

Wages:

1 @ \$7.80/hr - 75 hr week	\$15,210
1 @ \$7.50/hr - 80 hr week	15,600

Benefits:

FICA/Medicare @ 7.65%	<u>2,357</u>
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Total Budgeted Cost

\$33,167

Proposal - Replace current wage personnel with 1 Account Technician I - Grade 12
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Wages:

1 @ \$9.02/hr - 80 hr week	\$18,762
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Benefits:

VRS Group Life @ 0	0
VRS Retirement @ 15.25%	2,861
Social Security @ 6.2%	1,163
Medicare @ 1.45%	272
Health @ \$180/mo	2,160
Dental @ \$15.16/mo	182
Deferred Comp @ \$5/pp	<u>130</u>

Total Proposed Cost

\$25,530

Proposal - Replace current wage personnel with 1 Account Technician II - Grade 13

Wages:

1 @ \$9.92/hr - 80 hr week	\$20,634
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Benefits:

VRS Group Life @ 0	0
VRS Retirement @ 15.25%	3,147
Social Security @ 6.2%	1,279
Medicare @ 1.45%	299
Health @ \$180/mo	2,160
Dental @ \$15.16/mo	182
Deferred Comp @ \$5/pp	<u>130</u>

Total Proposed Cost

\$27,831

Start up costs:

Advertising - 1 Sunday ad local
paper

\$200

No equipment or furniture needed

Maximum expected first year's cost

\$28,031

Budget savings first year

\$5,136